

## Message Text

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FM SECSTATE WASHDC  
TO AMEMBASSY CAIRO

C O N F I D E N T I A L STATE 309108

E.O. 11652: GDS

TAGS: ENRG PFOR IS EG

SUBJECT: ISRAELI OIL DRILLING IN THE GULF OF SUEZ

REF: CAIRO 17036

1. LETTER IN QUESTION WAS DATED NOVEMBER 28, 1975 AND SIGNED AT DEPUTY ASSISTANT SECRETARY LEVEL. FYI. IT WAS ADDRESSED TO VICE PRESIDENT OF TELEDYNE CORPORATION. END FYI. LETTER STATED SIMPLY THAT IN ACCORDANCE USG UNDERSTANDING OF PERTINENT INTERNATIONAL LAW, ISRAEL IS PROSCRIBED FROM ENGAGING IN SIGNIFICANT OIL DEVELOPMENT ACTIVITIES IN OCCUPIED TERRITORIES. THERE HAS BEEN NO SUBSEQUENT LETTER.
2. SINCE DISPATCH OF LETTER WE HAVE REPLIED ORALLY TO QUERIES ON THIS SUBJECT FROM PRIVATE OIL INTERESTS ON BASIS FOLLOWING CLEARED TEXT:

A) QUESTION: WHAT IS THE U.S. POSITION ON THE CONTENTION OF ISRAEL THAT IT HAS THE RIGHT UNDER INTERNATIONAL LAW TO  
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EXPLORE AND EXPLOIT OUT TO THE MEDIAN LINE IN THE GULF, REGARDLESS OF WHETHER ISRAEL HAS THE RIGHT ACTUALLY TO CONTROL THE WATERS OF THE GULF AS OCCUPIER OUT TO THE MEDIAN LINE.

ANSWER: THE U.S. VIEWS THIS CONTENTION AS UNFOUNDED IN

INTERNATIONAL LAW FOR TWO PRINCIPAL REASONS. FIRST, UNDER

INTERNATIONAL LAW, AN OCCUPIER IS NOT SUBSTITUTED FOR THE SOVEREIGN, BUT MERELY ACQUIRES SPECIFIC LIMITED RIGHTS IN AN AREA ACTUALLY UNDER OCCUPATION. THE OCCUPIER OF THE SHORE DOES NOT ENJOY THE RIGHTS OF A SOVEREIGN OF THE SHORE TO THE TERRITORIAL SEABED OR CONTINENTAL SHELF. THE SOVEREIGN'S RIGHTS IN THIS RESPECT, UNLIKE THOSE OF AN OCCUPIER, DO NOT DEPEND ON ACTUAL OCCUPATION. SECOND, THE LIMITED RIGHTS THAT AN OCCUPIER DOES HAVE, EVEN IN AREAS UNDER BELLIGERENT CONTROL AND OCCUPATION, DO NOT INCLUDE THE RIGHT TO DEVELOP AND EXPLOIT NEW OIL FIELDS FOR ANY PURPOSE.

B) QUESTION: IF ISRAEL IS GOING TO PROCEED WITH EXPLORATION AND EXPLOITATION IN THE EASTERN HALF OF THE GULF, WOULD THE DEPARTMENT PREFER FOR POLICY REASONS TO SEE ISRAEL LET THE CONTRACTS TO AN AMERICAN RATHER THAN A EUROPEAN FIRM, AS GIVING THE U.S. GREATER CONTROL OVER THE SITUATION WHEN, FOR EXAMPLE, THE TIME COMES FOR THE NEGOTIATION OF THE NEXT STEP IN THE SINAI IN THE MIDDLE EAST PEACEMAKING PROCESS?

ANSWER: WE PERCEIVE NO ADVANTAGES TO U.S. FOREIGN RELATIONS INTERESTS IN HAVING AN AMERICAN COMPANY TAKE AND EXERCISE AN INVALID CONCESSION GRANTED BY ISRAEL IN THESE CIRCUMSTANCES, IN VIOLATION OF THE RIGHTS OF EGYPT AND OF ANOTHER AMERICAN OIL COMPANY, AMOCO. THE DEPARTMENT IS OPPOSED TO SUCH INVOLVEMENT BY AN AMERICAN COMPANY.

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3. YOU MAY BRIEF THE EGYPTIAN AUTHORITIES ORALLY IN ACCORDANCE WITH THIS STANDARD REPLY ABOVE (PARA 2) IF YOU RECEIVE A SPECIFIC INQUIRY. YOU SHOULD BE AWARE THAT THE QUESTION OF A FORMAL PRESENTATION OF THE U.S. LEGAL POSITION TO THE PARTIES IN THE GULF OF SUEZ DISPUTE IS UNDER CONSIDERATION IN OUR REVIEW OF STRATEGY ON DEALING WITH THE PROBLEM AND HAS NOT BEEN RESOLVED.  
ROBINSON

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## Message Attributes

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